

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,
as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,
Debtors.¹

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

**JOINT URGENT MOTION BY AMBAC ASSURANCE CORPORATION,
THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO,
THE COMMONWEALTH OF PUERTO RICO, AND THE PUERTO RICO
FISCAL AGENCY AND FINANCIAL ADVISORY AUTHORITY,
SEEKING AN ORDER GRANTING AN ADJOURNMENT OF THE HEARING
ON THE PENSIONS DISCOVERY MOTIONS**

To the Honorable United States Magistrate Judge Judith Gail Dein:

Movant Ambac Assurance Corporation (“Ambac”) and Respondents The Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), the Commonwealth of Puerto Rico (the “Commonwealth”), by and through the Oversight Board as the Commonwealth’s representative pursuant to section 315(b) of the Puerto Rico Oversight, Management, and Economic Stability Act (“PROMESA”), and the Puerto Rico Fiscal Agency and

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); and (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19 BK5523-LTS) (Last Four Digits of Federal Tax ID: 3801).

Financial Advisory Authority (“AAFAF,” and together with the Oversight Board and the Commonwealth, the “Respondents”),² respectfully submit this joint urgent motion (the “Joint Motion”) for entry of an order, substantially in the form attached hereto as Exhibit A, granting an adjournment of the hearing on Ambac’s *Motion To Compel Compliance with the Court’s December 15, 2017 and February 26, 2018 Orders Regarding the Urgent Joint Motion of the Ad Hoc Group of General Obligation Bondholders, Ambac Assurance Corporation, Assured Guaranty Corp., Assured Guaranty Municipal Corp., the Mutual Fund Group, and National Public Finance Guarantee Corporation for Order Authorizing Rule 2004 Examination* (Dkt. No. 7505) and *Motion for Entry of Order Authorizing Discovery Under Bankruptcy Rule 2004 Concerning Pensions Liabilities* (Dkt. No. 7507) (together, the “Pensions Discovery Motions”) to the July Omnibus Hearing, scheduled to take place on **July 29, 2020**. In support of the Joint Motion, the Parties respectfully represent as follows:

BACKGROUND

1. Ambac filed its *Motion To Compel Pensions Discovery* (Dkt. No. 7505) and *Motion for Entry of Order Authorizing Discovery Under Bankruptcy Rule 2004* (Dkt. No. 7507) on July 18, 2019 (together, the “Pensions Discovery Motions”). Respondents filed their *Omnibus Opposition to the Pensions Discovery Motions* (Dkt. No. 7895) on July 9, 2019, and Ambac submitted its reply (Dkt No. 8230) on July 23, 2019. On October 23, 2019, Ambac requested additional information regarding the Commonwealth’s pension liabilities (the “Supplemental Pensions Requests”).

2. The Parties subsequently have requested to adjourn the hearing on the Pensions Discovery Motions in order to allow the Parties to continue to meet and confer in the hopes of

² The Movants and Respondents are collectively referred to as the “Parties.”

narrowing any open disputes.³ The Court has granted these requests.⁴

3. The Parties have filed joint status reports informing the Court of their progress during these continued meet and confers.⁵

4. The Parties's most recent joint status report was filed on April 16, 2020 (Dkt. No. 12839). At the same time, the Parties jointly filed an urgent motion (Dkt. No. 12840) seeking an order granting an adjournment of the hearing on the Pensions Discovery Motions in order to allow the Parties to continue to meet and confer. The Court granted the motion, adjourning the hearing on the Pensions Discovery Motions to the omnibus hearing scheduled for June 3, 2020, and ordering the Parties to submit an eighth joint status report to the Court by May 28, 2020 (Dkt. No. 12863).

5. As set forth in the Parties' joint status report, filed concurrently with this Joint Motion, the Parties continue to engage in good faith discussions in an attempt to narrow the remaining issues that require adjudication by this Court.

RELIEF REQUESTED

6. By this Joint Motion, the Parties request an order granting an adjournment of the hearing on the Pensions Discovery Motions to the July Omnibus Hearing, scheduled to take place on **July 29, 2020**.

7. For the reasons set forth herein, as well as in the Parties' joint status report, the Parties believe an adjournment of the hearing on the Pensions Discovery Motions to the July Omnibus Hearing is appropriate.

³ See Dkt. Nos. 8007, 8271, 8444, 8634, 8997, 9498, 10327, 12840.

⁴ See Dkt. Nos. 8017, 8291, 8447, 8638, 9006, 9518, 10376, 12863.

⁵ See Dkt Nos. 8445, 8633, 8996, 9496, 10325, 11803.

8. Pursuant to Paragraph 1.H of the *Eleventh Amended Notice, Case Management and Administrative Procedures* (Case No. 17 BK 3283-LTS, ECF No. 11885-1), the Parties hereby certify that they have carefully examined the matter and concluded that there is a true need for an urgent motion; have not created the urgency through any lack of due diligence; have made bona fide efforts to resolve the matter without a hearing; have made reasonable, good-faith communications in an effort to resolve or narrow the issues that are being brought to the Court; and no party opposes the relief requested herein.

9. This is the Parties' tenth request for an adjournment of the hearing on the Pensions Discovery Motions.

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Dated: May 28, 2020
San Juan, Puerto Rico

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CERTIFICATE OF SERVICE

I hereby certify that on this same date a true and exact copy of this notice was filed with the Clerk of Court using the CM/ECF system, which will notify a copy to counsel of record.

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